

# TIDBITS

*A variety of articles, excerpts and items of interest taken from Chevron's news releases and media reports compiled by the CRA Communications Committee*

## **Chevron Announces More Than \$2 Million in Additional Contributions to Nonprofits Working on Hurricane Harvey Recovery**

**December 13, 2017** – Chevron Corporation (NYSE: CVX) additional contributions of more than \$2 million as part of its long-term commitment to help the Greater Houston area recover from Hurricane Harvey.

“Even though Harvey hit more than three months ago, the storm’s devastation was profound. It affected countless children’s ability to learn, with thousands of families without reliable access to food and many more displaced from their homes,” said Jeff Shellebarger, president, Chevron North America Exploration and Production Company. “Our partnerships with these exceptional organizations are aimed at getting the Houston area solidly back on its feet by providing long-term support to children, their families and the community.”

Based on a methodical needs-assessment approach, Chevron has decided to contribute \$750,000 to Save the Children’s Journey of Hope program that will provide mental health support to 50,000 children affected by the storm that devastated the Houston region in late August. The Houston Food Bank will receive \$226,000 for two new temperature-controlled mobile food pantries that will facilitate increased distribution of perishable items like meat, milk and produce to provide 400,000 meals per month.

Houston Habitat for Humanity will receive \$200,000 for heavy equipment to restore more than 1,800 low-income homes damaged by the storm. Chevron employees and retirees also contributed more than \$400,000 to the American Red Cross through Chevron’s Humankind program, which the company will match 2:1. The additional contributions from Chevron, its employees and retirees increase the total donated to Harvey Relief and Recovery efforts to more than \$4 million. Immediately after the storm, the company donated \$1 million to the American Red Cross for immediate relief and another \$1 million to the company’s Fuel Your School program to help Harris County teachers rebuild their classrooms.

Chevron’s support for Save the Children’s Journey of Hope program aligns with Chevron’s deeply rooted commitment to education in the greater Houston region. While Chevron historically has focused on science, technology, engineering and math, educators in the region shared that before students could learn, they needed help recovering from the emotional stress endured following Hurricane Harvey. With Chevron’s support, Save the Children’s Journey of Hope program will reach 440 mental health care providers. Forty providers will conduct training of trainers and 400 will be implementing the program, ultimately reaching 50,000 children in the Greater Houston area with age-appropriate psychosocial support.

“Although the floodwaters have receded, thousands of children in the Greater Houston are still recovering from the emotional distress of Hurricane Harvey. Through Journey of Hope, we can begin to help children cope and build resiliency to better bounce back after this unprecedented storm,” said Carolyn Miles, President & CEO, Save the Children. “We are extremely grateful to Chevron for their generosity and in joining Save the Children to do whatever it takes to support children and families in their recovery.”

With a local employee and contractor workforce of more than 8,000, Houston represents the single-largest concentration of Chevron employees globally, and the company has important business interests throughout Texas, including the Permian Basin and Corpus Christi. A number of Chevron’s businesses are headquartered in Houston, including our exploration and production companies for North America, Africa and Latin America; our technology companies; pipeline, power and global procurement businesses; and the supply and trading function. In addition, many of Chevron’s major capital projects are planned and developed from Houston.

## **Chevron Announces \$18.3 Billion Capital and Exploratory Budget for 2018**

**December 6, 2017** – Chevron today announced a 2018 capital and exploratory spending program of \$18.3 billion. This figure includes \$5.5 billion for the company’s share of expenditures by affiliated companies.

“Our 2018 budget is down for the fourth consecutive year, reflecting project completions, improved efficiencies, and investment high-grading,” said Chairman and CEO John Watson. “We’re fully funding our advantaged Permian Basin position and dedicating approximately three-quarters of our spend to projects that are expected to realize cash flow within two years.”

Watson continued, “With production currently exceeding guidance in the Permian, our 2018 plan should deliver both strong production growth and solid free cash flow, at prices comparable to what we’ve seen this year.”

Details of the 2018 Capital and Exploratory Spending Program include:

<b>Chevron 2018 Planned Capital &amp; Exploratory Expenditures</b>	<b>\$ Billions</b>
U.S. Upstream	6.6
International Upstream	9.2
<b>Total Upstream</b>	<b>15.8</b>
U.S. Downstream	1.4
International Downstream	0.8
<b>Total Downstream</b>	<b>2.2</b>
Other	0.3
<b>TOTAL (Including Chevron’s Share of Expenditures by Affiliated Companies)</b>	<b>18.3</b>
Expenditures by Affiliated Companies	(5.5)
<b>Cash Expenditures by Chevron Consolidated Companies</b>	<b>12.8</b>

In the upstream business, approximately \$8.7 billion is forecasted to sustain currently

producing assets, including \$3.3 billion for the Permian and \$1.0 billion for other shale and tight rock investments. Approximately \$5.5 billion of the upstream program is planned for major capital projects underway, including \$3.7 billion associated with the Future Growth Project at the Tengiz field in Kazakhstan. Global exploration funding is expected to be about \$1.1 billion. Remaining upstream spend will be for early stage projects supporting potential future developments.

Approximately \$2.2 billion of planned capital spending is associated with the company's downstream businesses that refine, market and transport fuels, and manufacture and distribute lubricants, additives and petrochemicals.

## **Chevron Donates \$1 Million to The BASIC Fund to Support Scholarships for Bay Area Students**

**December 6, 2017** – Chevron U.S.A. Inc. today announced a \$1 million donation to the Oakland-based BASIC Fund to aid scholarships for the children of San Francisco Bay Area low-income families. The contribution is in honor of Chevron Chairman and CEO John Watson who is retiring February 1 after 37 years of service with the company.

The BASIC Fund is a 501(c)(3) organization whose mission is to broaden the educational opportunities for inner-city children by helping low-income families afford the cost of tuition at private schools in the Bay Area. “My mother was a teacher, and she taught me the importance of education at an early age,” said Chairman and CEO John Watson. “My wife, Diane, was also a teacher and reinforced that message within our own family. A strong K–8 education sets the foundation for higher learning and a successful career. Unfortunately, not every family has access to this foundation.”

Chevron's contribution builds upon a long-term commitment to supporting education in the communities where the company operates, with a particular focus on improving instruction in science, technology, engineering and math (STEM). Working with local partners, Chevron takes a comprehensive approach to education investments. This includes supporting teacher training, providing classroom resources, funding out-of-school activities, developing partnerships with universities designed to strengthen faculty, curricula and student development.

“Like Chevron, the BASIC Fund believes that increasing access to quality education helps unlock potential and fosters prosperity in our communities,” said Rachel ElginSmith, the BASIC Fund's executive director. “This is the single largest corporate donation in our organization's history. Through this support, together we will be able to provide scholarships to 100 children and launch a new business and financial literacy program to support students' long term-success.”

## **Brazil's High Court Rejects Attempt to Enforce Fraudulent Ecuadorian Judgment Against Chevron**

**November 30, 2017** - Brazil's Superior Court of Justice (STJ) unanimously rejected an attempt to enforce a fraudulent Ecuadorian judgment against Chevron Corporation on Wednesday,

November 29, citing a lack of jurisdiction. The fraudulent judgment has now been rejected in Argentina, Brazil and the United States.

“Courts around the world continue to reject attempts to profit from this fraudulent judgment,” said R. Hewitt Pate, Chevron’s vice president and general counsel. “This decision reinforces our belief that any jurisdiction that observes the rule of law will find the Ecuadorian judgment to be illegitimate and unenforceable.”

The STJ’s 10-0 vote follows a [decision](#) by an Argentine court on Oct. 31 denying recognition of the Ecuadorian judgment, also citing a lack of jurisdiction.

Prosecutors in both Brazil and Argentina had previously opined that the Ecuadorian judgment was unenforceable because it was the product of fraud and corruption. In 2015, Brazil’s deputy prosecutor general found that the judgment “was issued in an irregular manner, especially under deplorable acts of corruption that represent an offense against the international public order and even to good morals.”

In 2014, a U.S. federal court [found](#) the Ecuadorian judgment to be the product of fraud and racketeering activity. The court also found that Steven Donziger, an American lawyer behind the lawsuit, violated the federal Racketeer Influenced and Corrupt Organizations Act (RICO), committing extortion, money laundering, wire fraud, Foreign Corrupt Practices Act violations, witness tampering and obstruction of justice in obtaining the Ecuadorian judgment. The court detailed its findings of fact in a nearly 500-page decision. The U.S. Court of Appeals for the Second Circuit unanimously affirmed the lower court’s decision in August 2016. In June 2017, the United States Supreme Court rejected Donziger’s petition seeking review of the case.

In January 2017, a Canadian court rejected an attempt to enforce the Ecuadorian judgment against Chevron’s subsidiary, Chevron Canada Limited. The court found that Chevron Canada Limited is a separate entity from Chevron Corporation, not a party to the Ecuadorian lawsuit and not a debtor to the judgment.

In December 2015, the Supreme Court of Gibraltar issued a [judgment](#) against Amazonia Recovery Ltd., a Gibraltar-based company set up by Donziger and his associates to receive and distribute funds resulting from the fraudulent Ecuadorian judgment. The court awarded Chevron \$28 million in damages and issued a permanent injunction against Amazonia, preventing the company from assisting or supporting the case against Chevron in any way.

Chevron has never operated in Ecuador. Texaco Petroleum (TexPet), which became a subsidiary of Chevron in 2001, was a minority partner in an oil-production consortium in Ecuador along with the state-owned oil company, Petroecuador, from 1964 to 1992. After TexPet turned its remaining share of the oil operations over to Petroecuador in 1992, pursuant to an agreement with Ecuador, TexPet agreed to conduct a remediation of selected production sites while Petroecuador remained responsible to perform any remaining cleanup. The government of Ecuador oversaw and certified the successful completion of TexPet’s

remediation and fully released TexPet from further environmental liability. Petroecuador, however, failed to conduct the cleanup it promised and has continued to operate and expand oil operations in the former concession over the past 20 years.

## **Argentine Court Rejects Attempt to Enforce Fraudulent Ecuadorian Judgment Against Chevron**

**November 1, 2017** – An Argentine court has [dismissed](#) an attempt to enforce a fraudulent \$9.5 billion Ecuadorian judgment against Chevron Corporation in the country.

In a 22-page decision, the National Civil Court No. 61 in Buenos Aires found the plaintiffs failed to prove that the case had any connection to Argentina that would justify recognition of the 2011 Ecuadorian judgment by the country's courts.

The court found that Chevron Corporation is not domiciled and has no assets in Argentina, which “seals the fate of the present exequatur as it is inadmissible to recognize a foreign decision in this jurisdiction where the defendant has no point of connection.” The court relied on a previous decision from the Argentina Supreme Court which found that Chevron's indirect subsidiary in Argentina, Chevron Argentina SRL, is a separate entity from Chevron Corporation; not a party to the Ecuadorian lawsuit; and an embargo against its assets in support of the Ecuadorian judgment is “manifestly contrary to Argentinean public policy.” The opinion awards costs to Chevron, as the prevailing party.

“Once again, attempts to profit from this fraudulent judgment have been rejected,” said R. Hewitt Pate, Chevron's vice president and general counsel. “We are confident that any jurisdiction that observes the rule of law and examines the facts will similarly find the Ecuadorian judgment to be illegitimate and unenforceable.”

Dismissal of the recognition action in Argentina is the latest setback for the lawyers behind the fraudulent lawsuit.

A U.S. federal court ruled in 2014 that the Ecuadorian judgment was unenforceable in the United States. In a [500-page opinion](#), the court found Steven Donziger, the American lawyer behind the lawsuit, and his associates violated federal racketeering laws to obtain the judgment, committing extortion, money laundering, wire fraud, Foreign Corrupt Practices Act violations, witness tampering and obstruction of justice. The court's extensive findings were unanimously upheld on appeal last year and, in June, the U.S. Supreme Court [denied](#) Donziger's petition seeking review of the matter. Attempts to enforce the fraudulent judgment in other jurisdictions have been met with similar resistance.

In October 2017, Reporting Justice Luis Felipe Salomão, of Brazil's Superior Court of Justice, issued his vote rejecting the attempted recognition of the Ecuadorian judgment against Chevron Corporation in that country. Justice Salomão cited a lack of jurisdiction and extensive evidence of fraud and corruption that would make its recognition a violation of public policy.

In January 2017, a Canadian court rejected an attempt to enforce the Ecuadorian judgment against Chevron's subsidiary, Chevron Canada Limited. The court found that Chevron Canada is a separate entity from Chevron Corporation, not a party to the Ecuadorian lawsuit and not a debtor to the judgment. In 2015, the Supreme Court of Gibraltar issued a judgment against Amazonia Recovery Ltd., a company set up by Donziger and his associates to receive and distribute funds from the fraudulent Ecuadorian judgment, awarding Chevron \$28 million in damages and issuing a permanent injunction against Amazonia that prevents that company from supporting the case against Chevron in any way.

### **Points to Ponder**

1. I started out with nothing, and I still have most of it.
2. My wild oats are mostly enjoyed with prunes and all-bran.
3. Funny, I don't remember being absent-minded.
4. If all is not lost, then where the heck is it?
5. It was a whole lot easier to get older, than it was to get wiser.
6. Some days, you're the top dog, some days you're the hydrant.
7. Funny, I don't remember being absent- minded.
8. I wish the buck really did stop here; I sure could use a few of them.
9. Kids in the back seat cause accidents.
10. Accidents in the back seat cause kids.
11. It is hard to make a comeback when you haven't been anywhere.
12. The world only beats a path to your door when you're in the bathroom.
13. If God wanted me to touch my toes, he'd have put them on my knees.
14. When I'm finally holding all the right cards, everyone wants to play chess.
15. It is not hard to meet expenses . . . They're everywhere.
16. The only difference between a rut and a grave is the depth..
17. These days, I spend a lot of time thinking about the hereafter . . . I go somewhere to get something, and then wonder what I'm "here after".
18. It is a lot better to be seen than viewed.